

NORBASKA MINES LIMITED

*Annual Report*

For the period ended December 31, 1966



# NORBASKA MINES LIMITED

*Incorporated and Registered under the Companies Act of the Province of Saskatchewan*

## CAPITAL STOCK

Authorized — 5,000,000 shares of No Par Value

## OFFICERS

J. DOUGLAS STREIT . . . . . *President*

J. BRADLEY STREIT . . . . . *Vice-President*

HUGH T. BORTHWICK . . . . . *Secretary-Treasurer*

## DIRECTORS

J. BRADLEY STREIT . . . . . Toronto, Ontario

J. DOUGLAS STREIT . . . . . Toronto, Ontario

HUGH T. BORTHWICK . . . . . Toronto, Ontario

JAMES C. STEPHEN . . . . . Regina, Saskatchewan

WILLIAM REARDEN . . . . . Toronto, Ontario

## HEAD OFFICE

22 Woodlawn Place . . . . . Regina, Saskatchewan

## EXECUTIVE OFFICE

Suite 21, 10 Adelaide St. E. . . . . Toronto, Ontario

## TRANSFER AGENTS

### THE GUARANTY TRUST COMPANY OF CANADA

Toronto, Ontario

Regina, Saskatchewan

## AUDITORS

DOUGLAS H. SCOTT, Chartered Accountant  
Toronto, Ontario



# NORBASKA MINES LIMITED

10 Adelaide Street East  
TORONTO 1, CANADA

To the Shareholders of  
NORBASKA MINES LIMITED.

Your Directors present herewith the Annual Report of the Company together with related statements for the year ending December 31st, 1966.

Last year, with a view to augmenting Baska Uranium Mines Limited financial position, the Company was re-organized on a basis of 1 share for 5 and its name changed to Norbaska Mines Limited. At the time a "rights offering" was considered, but deferred because of the quiet general market.

Now, with a greatly improved uranium picture and an indicated price increase, your Directors have decided to make a "rights offering." Through it shareholders will be able to take up 1 new share of Norbaska Mines Limited at 50¢ a share for each 2 shares already held. The "rights" will be traded on The Toronto Stock Exchange, enabling shareholders who do not wish to take up their "rights" to sell them.

It will interest you to know that work at the Company's uranium property in the Beaverlodge District of Saskatchewan has already started. The program is under the supervision of J. Foster Irwin Engineering & Management Services, with Dr. C. M. Trigg, Consulting Geologist. Your Directors are very pleased with the appointment of Dr. Trigg because of his knowledge of the area gained through his work on the adjoining Hab claims, controlled by Eldorado Mining & Refining Limited.

The attached map shows the Beaverlodge District, the Virgin Lake area, and the location of Norbaska Mines Limited claims in relation to those of Eldorado's Hab group. As early shareholders know, the Company was incorporated on a uranium discovery in the Beaverlodge Area in northern Saskatchewan. Exploration and diamond drilling of these claims outlined sufficient ore to warrant driving an adit for production. According to a report in The Northern Miner of April 6th, 1967, Eldorado is preparing to sink a 550 foot shaft and put the Hab group into production.

Respectfully submitted

On behalf of the Board,

J. DOUGLAS STREIT,

President.

Toronto, Ontario,  
April 12, 1967.

# NORBASKA MINES LIMITED

(Formerly Baska Uranium Mines Limited)

(Incorporated under the laws of the Province of Saskatchewan)

## BALANCE SHEET AS AT DECEMBER 31, 1966

### ASSETS

#### CURRENT ASSETS

Cash .....		\$	4,316.89
Marketable securities, at cost (quoted market value \$39,834.00) .....	\$	54,603.31	
Less allowance for decline in value of marketable securities .....		22,727.31	31,876.00
<b>TOTAL CURRENT ASSETS .....</b>			<b>36,192.89</b>

#### MINING PROPERTIES

Claims located at Uranium City, Saskatchewan, acquired by staking, at cost .....	848.00		
Claims located in Crooks Township, Port Arthur Mining Division, Ontario, at cost .....	6,250.00		7,098.00

#### OTHER ASSETS AND DEFERRED EXPENDITURES:

Buildings and equipment, at nominal value .....	1.00		
Deferred exploration, development and administrative expenditures (per attached) .....	997,223.31		997,224.31
			<u>\$ 1,040,515.20</u>

### LIABILITIES

#### CURRENT LIABILITIES

Accounts payable and accrued liabilities .....		\$	13,810.65
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#### SHAREHOLDERS' EQUITY

##### Capital Stock (Note)

##### Authorized:

5,000,000 shares without par value

##### Issued and fully paid:

1,370,000 shares .....	\$ 1,709,169.50		
Deficit (per attached) .....	682,464.95		1,026,704.55
			<u>\$ 1,040,515.20</u>

Approved on behalf of the Board:

("J. DOUGLAS STREIT"), Director.

("HUGH T. BORTHWICK"), Director.



# NORBASKA MINES LIMITED

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## NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 1966

NOTE 1. At a special general meeting of the shareholders of the company held during the year, the shareholders approved the reduction of the authorized capital of the company from seven million shares without nominal or par value to five million shares without nominal or par value. Issued capital was reduced from 6,850,000 shares to 1,370,000 shares and consolidated on a one share for five share basis. The shareholders further approved the change in name of the company from Baska Uranium Mines Limited to Norbaska Mines Limited.

NOTE 2. By the terms of an agreement dated February 1, 1966 the company acquired 20 unpatented mining claims in the Port Arthur Mining Division, Ontario, for a consideration of \$5,000.00 cash and 10,000 (new) shares of the capital stock of the company valued at 75¢ per share. Ten of these claims were subsequently abandoned and the portion of the costs related thereto have been written off to deficit.

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## AUDITOR'S REPORT

To the Shareholders,  
Norbaska Mines Limited

I have examined the balance sheet of Norbaska Mines Limited (formerly Baska Uranium Mines Limited) as at December 31, 1966 and the statements of deficit, source and application of funds, and deferred exploration, development and administrative expenditures for the year ended on that date. My examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as I considered necessary in the circumstances.

In my opinion, the accompanying balance sheet and statements of deficit, source and application of funds, and deferred exploration, development and administrative expenditures present fairly the financial position of the company as at December 31, 1966 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,  
January 23, 1967.

DOUGLAS H. SCOTT,  
Chartered Accountant.

# NORBASKA MINES LIMITED

## STATEMENT OF DEFICIT

For the year ended December 31, 1966

Balance, December 31, 1965 .....		\$637,094.02
Add		
Loss on sale of securities sold in the year .....	\$ 1,330.00	
Cost of claims in Crooks Township, Ontario written off in the year ....	6,250.00	
Cost of Option in Rainboth Township, Quebec written off in the year .....	7,500.00	
Deferred development expenditures on Rainboth Township, Quebec, abandoned in the year .....	28,317.75	
Cost of corporate reorganization .....	1,750.00	
Deferred administrative costs applicable to abandoned property .....	1,140.93	46,288.68
		<u>683,382.70</u>
Deduct		
Decrease in allowance for decline in value of marketable securities .....		917.75
Deficit, December 31, 1966 .....		<u><u>\$682,464.95</u></u>



# NORBASKA MINES LIMITED

## STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENDITURES

For the year ending December 31, 1966

### Exploration

Balance, December 31, 1965 ..... \$883,823.93

### Expenditures in the year

#### Dot Group, Saskatchewan

Mining license .....	\$ 100.00	
Consulting fees and expenses .....	964.00	
Lease rental .....	115.00	1,179.00

#### Rainboth Township, Quebec

Adjustment of drilling costs .....		(948.03)
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#### Crooks Township, Ontario

Consulting fee .....	250.00	\$884,304.90
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### Deduct

Expenditures applicable to abandoned property written off to deficit		
Rainboth Township, Quebec .....		28,317.75

Balance, December 31, 1966 .....		855,987.15
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### Administrative

Balance, December 31, 1965 .....		127,275.50
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Legal and audit .....	1,350.00	
Employee benefits .....	79.20	
Annual meeting expense .....	1,704.91	
Salaries .....	6,000.00	
Head office services .....	1,200.00	
Saskatchewan office rent .....	100.00	
Transfer agent expense .....	2,342.39	
General .....	828.98	
Listing expenses .....	1,950.00	15,555.48

142,830.98

Less interest income .....		453.89
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142,377.09

Deduct portion of expenditures applicable to abandoned property		1,140.93
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Balance, December 31, 1966 .....		141,236.16
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Balance deferred December 31, 1966 .....		<u>\$997,223.31</u>
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# NORBASKA MINES LIMITED

## STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the year ended December 31, 1966

### FUNDS WERE APPLIED:

To net expenditures on exploration, development and administrative .....	\$15,582.56	
To loss on sale of marketable securities .....	1,330.00	
To purchase of claims in Crooks Township, Ontario .....	5,000.00	
To cost of corporate reorganization .....	1,750.00	\$ 23,662.56

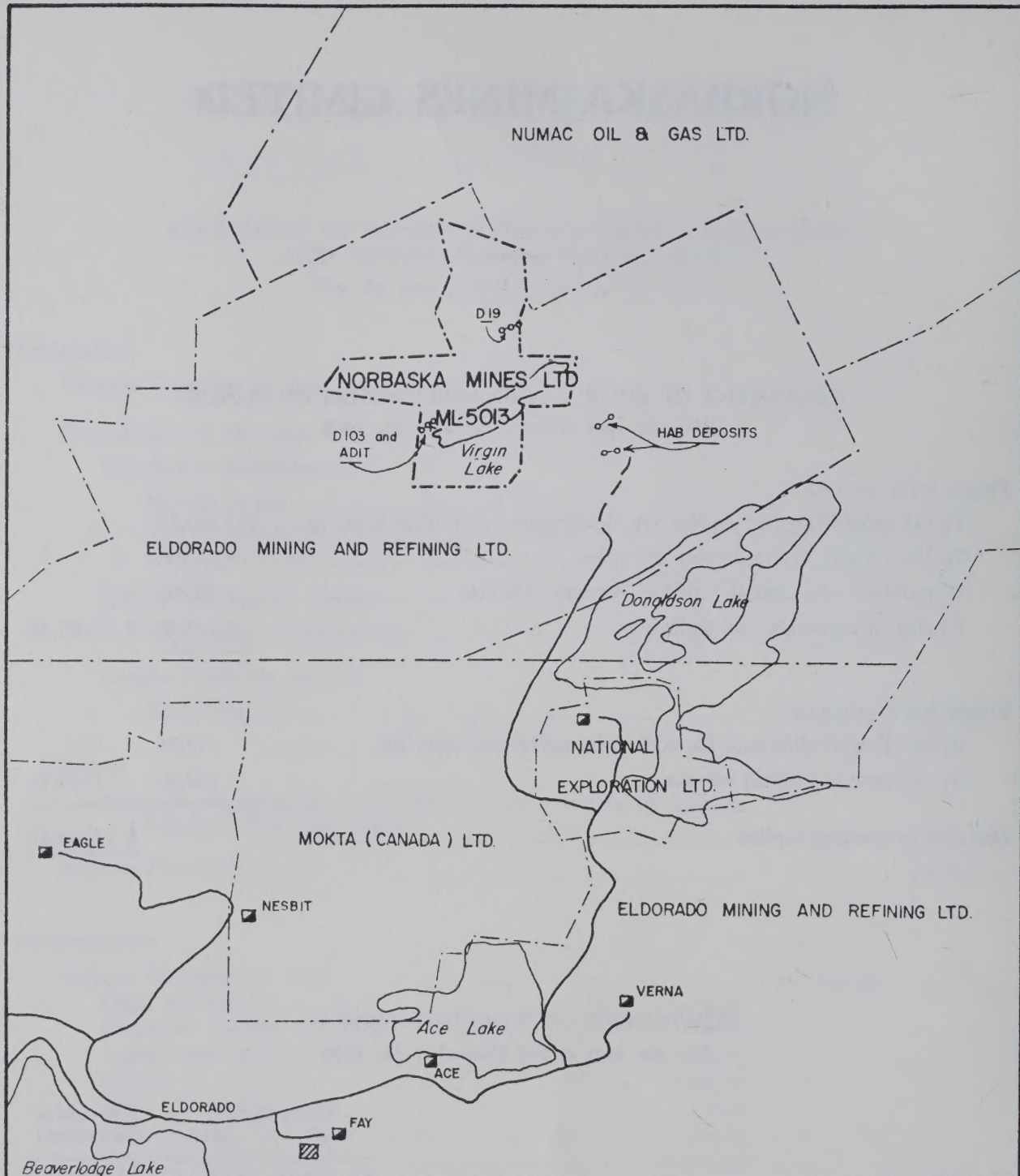
### FUNDS WERE PROVIDED:

By decrease in allowance for decline in marketable securities .....	917.75	
By decrease in prepaid expenses .....	100.00	1,017.75
Decrease in working capital .....		<u>\$ 22,644.81</u>

## STATEMENT OF WORKING CAPITAL

For the year ended December 31, 1966

	December 31, 1966	1965	Increase or (decrease)
Current assets .....	\$36,192.89	\$54,981.22	\$(18,788.33)
Current liabilities .....	13,810.65	9,954.17	( 3,856.48)
	<u>\$22,382.24</u>	<u>\$45,027.05</u>	<u>\$(22,644.81)</u>



#### LEGEND

- SHAFT
- ▨ MILL
- ADIT
- D19 URANIUM DEPOSIT
- ROAD
- - - PROPERTY BOUNDARY

NORBASKA MINES LTD.

LOCATION OF ML5013

BEAVERLODGE DISTRICT, SASKATCHEWAN

0 1 MILE

SCALE

J. FOSTER IRWIN ENGINEERING AND MANAGEMENT SERVICES LTD.

JANUARY 25, 1967



## Eldorado To Open New Uranium Mine Near Beaverlodge

In the first major new mining development in about a decade in the Beaverlodge area of Northern Saskatchewan, Eldorado Mining and Refining is proceeding to open up a new mine, about five miles northeast of its producing properties.

Located on what is known as the Hab group of claims, a deposit estimated to contain about 300,000 tons grading approximately 0.3% uranium oxide (6 lbs.  $U_3O_8$  per ton) is to be brought into production early next year.

Eldorado is preparing to sink a shaft to about 550 ft. in depth to provide access for mining. The deposit is located in rough country, W. M. Gilchrist, Eldorado president, stated. As a result, an adit is to be driven into a steep hillside to reach the shaft area, with some of the

headframe section excavated above the adit. A road has been opened into the site.

Although some development rock may be available for milling this year, it is expected that the new mine will not provide a steady flow of ore until early next year. The property is to be geared for a production rate of 250 tons per day, on a 7-day week basis, or actual output of 350 tons daily on each of the five milling days each week.

Initial drilling was undertaken on the property in the 1950s. Further drilling last year outlined the known reserves. The main part of the tonnage is not connected with the original exposure but is in the same general area, it is gathered.

The property is to be opened at this time as part of Eldorado's general development program. It will be relatively easier to increase output from the added source as demand for uranium increases. This surge in demand is anticipated in 1968 or 1969. The higher grade of ore also makes production from the new mine more attractive, it is gathered.

Cost of bringing the Hab property into production is estimated to be about \$750,000.

Reprinted from The Northern Miner,  
Toronto, Canada issue of April 6, 1967.





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NORBASKA MINES LIMITED  
(Formerly Baska Uranium Mines Limited)  
(Incorporated under the laws of the Province of Saskatchewan)

BALANCE SHEET (PREPARED WITHOUT AUDIT)

AS AT JUNE 30, 1967  
(With comparative figures at June 30, 1966)

ASSETS

	<u>1967</u>	<u>1966</u>
Current Assets		
Cash	\$ 132,705.62	\$ 1,683.39
Marketable securities, at cost (quoted market value 1967-\$32,870; 1966-\$48,025)	54,603.31	69,659.56
Less allowance for decline in value of marketable securities	<u>21,733.31</u>	<u>21,634.56</u>
	32,870.00	48,025.00
Contract drilling deposits	<u>40,000.00</u>	<u>-</u>
Total current assets	<u>205,575.62</u>	<u>49,708.39</u>
Mining Properties		
Claims located at Uranium City, Saskatchewan, acquired by staking, at cost	848.00	848.00
Claims located in Crooks Township, Port Arthur Mining Division, Ontario, at cost	6,250.00	12,500.00
Option on claims in Rainboth Township, District of Abitibi, Quebec	<u>-</u>	<u>7,500.00</u>
	<u>7,098.00</u>	<u>20,848.00</u>
Other Assets and Deferred Expenditures:		
Buildings and equipment, at nominal value	1.00	1.00
Deferred exploration, development and administrative expenditures (per attached)	<u>1,024,120.36</u>	<u>1,018,340.45</u>
	<u>1,024,121.36</u>	<u>1,018,341.45</u>
	<u>\$1,236,794.98</u>	<u>\$1,088,897.84</u>

LIABILITIES

Current Liabilities		
Accounts payable and accrued liabilities	\$ 200.93	\$ 14,811.36
Shareholders' Equity		
Capital stock (Note 2)		
Authorized:		
5,000,000 shares without par value		
Issued and fully paid:		
1,787,791 shares	1,918,065.00	1,709,169.50
Deficit (per attached)	<u>681,470.95</u>	<u>635,083.02</u>
	<u>1,236,594.05</u>	<u>1,074,086.48</u>
	<u>\$1,236,794.98</u>	<u>\$1,088,897.84</u>

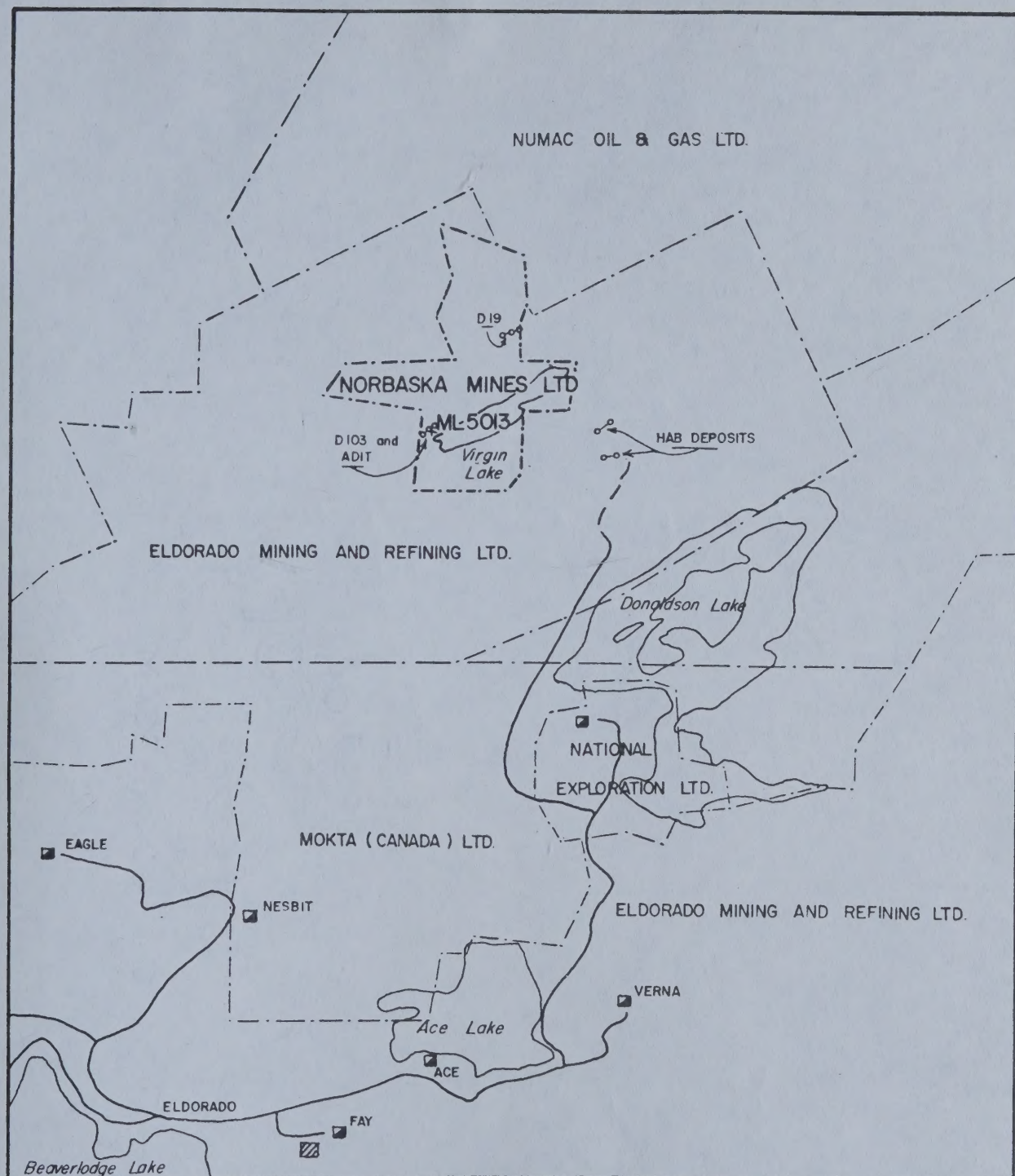
# NORBASKA MINES LIMITED

## STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENDITURES

FOR THE SIX MONTHS ENDED JUNE 30, 1967  
(With comparative figures for the six months ended June 30, 1966)

	<u>1967</u>	<u>1966</u>
Exploration		
Balance, January 1	\$ 855,987.15	\$ 883,823.93
Expenditures in the period		
Dot Group, Saskatchewan		
Mining license	\$ 100.00	\$ 100.00
Consulting fees and expenses	3,592.50	450.00
Lease rental	1,219.00	115.00
Cookery	617.95	
Equipment rentals	2,231.48	
Wages	2,021.27	
Supplies	153.26	
Sundry	472.84	
Taxes	<u>522.15</u>	<u>665.00</u>
Rainboth Township, Ontario		
Adjustment of drilling costs		<u>(948.03)</u>
Balance, June 30	<u>866,917.60</u>	<u>883,540.90</u>
Administrative		
Balance, January 1	141,236.16	127,275.50
Legal and audit	2,555.67	800.00
Employee benefits	46.80	
Annual meeting expense	1,808.74	1,704.91
Salaries	2,000.00	3,000.00
Head office services	100.00	600.00
Saskatchewan office rent	50.00	50.00
Transfer agent expense	6,846.30	1,320.39
Commission expense	1,786.54	
General	516.42	410.00
Share certificate expense	656.13	
	<u>16,366.60</u>	<u>7,885.30</u>
Less sundry income	<u>400.00</u>	<u>361.25</u>
Balance, June 30	<u>157,202.76</u>	<u>134,799.55</u>
Balance deferred, June 30	<u><u>\$1,024,120.36</u></u>	<u><u>\$1,018,340.45</u></u>





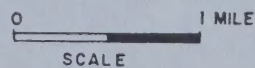
#### LEGEND

- SHAFT
- ▨ MILL
- > ADIT
- D19 URANIUM DEPOSIT
- ~ ROAD
- - - PROPERTY BOUNDARY

#### NORBASKA MINES LTD.

LOCATION OF ML5013

#### BEAVERLODGE DISTRICT, SASKATCHEWAN



J. FOSTER IRWIN ENGINEERING AND MANAGEMENT SERVICES LTD.

JANUARY 25, 1967

